



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

FILLMORE FIELD OFFICE

35 East 500 North
Fillmore, Utah 84631



In Reply Refer to:
3809 (UTW02000)
UTU-70643
UTU-85817

July 14, 2009

CERTIFIED MAIL # 7007 3020 0001 9380 7902
RETURN RECEIPT REQUESTED

Edwin Lister
PO Box 651
Delta, Utah 84624

Dear Mr. Lister:

Your Notice, serial number UTU 70643 which was accepted February 26, 1990 expired on January 20, 2005. On August 31, 2007 the Fillmore Field Office (FFO) of the Bureau of Land Management (BLM) received a request to purchase mineral material to replace Notice UTU 70643. This Negotiated Mineral Material Sale has been assigned BLM case file number UTU 85817. Please refer to this number in any future communication concerning the Negotiated Sale. The sale is for 100 tons of stone to be removed over five years and covers up to one acre of disturbance in T. 14 S., R. 11 W., sec. 33: NE. This Negotiated Sale is permitted through the Utah Division of Oil, Gas, and Mining (UDOGM) under their case file number S/023/031.

The Mineral Materials Contract, BLM serial number UTU 85817, for section 33, T. 14 S., R. 11 W., SLM&B is enclosed, along with contract stipulations, with this letter. Please fill in the purchaser information, sign and date the contract. In order for the contract to take effect you must return the contract for signature by the Authorized Officer, submit the required performance bond, the first installment or payment in full, and a Mineral Material Waiver (enclosed). Please submit the signed contract and payment to the FFO at 35 East 500 North, Fillmore, Utah, 84631. Once the required performance bond has been accepted, the Authorized Officer will sign and date the permit and return a copy of the permit for your files. The permit will expire five years from the date of the Authorized Officer's signature or at the time the contracted amount of material has been removed.

Amount of Financial Guarantee – The FFO has determined the performance bond requirement and has determined that the amount of \$5,600.00 is sufficient to meet all anticipated performance requirements including reclamation. The amount of the performance bond was based on the operator complying with all applicable operating and reclamation requirements.

BLM's review of your proposed operations; determination that your operations as proposed will not cause unnecessary or undue degradation; and decision concerning the amount of the required financial guarantee, does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and

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DIV. OF OIL, GAS & MINING

local authorizations and permits. You are responsible for preventing any unnecessary or undue degradation of public lands and resources, and for reclaiming all land disturbed by your operations; including disturbance resulting from operation under this sale as well as your expired Notice UTU 70643 that this sale replaces.

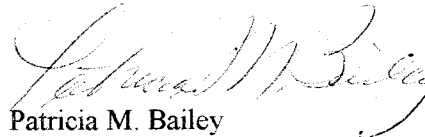
Required Financial Guarantee - A financial guarantee in the amount of \$5,100.00 is currently being held by the Utah State Office of the BLM on Notice UTU 70643, which is to be replaced by this Mineral Material Sale, UTU 85816. In order to complete authorization for this Mineral Material Sale financial guarantees totaling \$5,600 must be obligated and accepted by the Utah State Office of the BLM. A copy of this letter will be notification to the Utah State Office, BLM, PO Box 45155, Salt Lake City, Utah 84145-0155 or 440 West 200 South, Salt Lake City, Utah 84101-1345 to remove the obligation from UTU 70643 and apply the bond to UTU 85817. You must receive written notification from that office accepting and obligating your total financial guarantee of \$5,600 to the new case file UTU 85817 before you may begin operations under this Mineral Material Sale.

The UDOGM will have this operation permitted under their file S/023/031. UDOGM also has an exploration permit, E/023/056, that corresponds to your pending BLM Notice UTU 858616. These operations are currently under bond review by UDOGM. You may be able to save on bonding by combining these operations with UDOGM under your small mine permit S/023/031. I recommend you contact Mr. Wayne Western of UDOGM at 801.538.5263 to amend your small mine plan S/023/031 to include the disturbance under E/023/056.

Please contact Opie Abeyta, Land Law Examiner of the BLM Utah State Office, at 801-539-4123 for further information on the adjudication of financial guarantee.

If you have any questions, please contact Jerry Mansfield, FFO Geologist, at 435-743-3125.

Sincerely,


Patricia M. Bailey
Acting Field Manager

Enclosures:
Mineral Material Sale Contract w/ stipulations
Mineral Material Waiver

cc:
Wayne Western
UDOGM
1594 W North Temple Ste 1210
SLC, UT 84114

Opie Abeyta (UT-923)
Utah State Office/ BLM
PO Box 45155
Salt Lake City, UT 84145-0155

Mineral Materials Waiver

The undersigned owner(s) of the mining claim(s) and/or millsite(s) listed below hereby waive any and all rights to any mineral materials on the listed mining claim(s) and /or millsite(s) or on the part(s) of the mining claim(s) and/or millsite(s) defined below. The Secretary of the Interior has independent authority to dispose of these mineral materials under the Materials Act of 1947, as amended, 30 U.S.C. § 601, when such disposal will not "endanger or materially interfere with prospection, mining or processing operations or uses reasonably incident thereto." 30 U.S.C. § 612(b). By claimant has or had any rights to any of the mineral materials at issue.

List below all mining claims and/or millsites to which this waiver applies:

Bullseye #1	UMC102509	Juab County
Bullseye #2	UMC102510	Juab County
Bullseye #5	UMC326748	Juab County
Bullseye #6	UMC326749	Juan County

List below the owner(s) listed in the official record of the Bureau of Land Management for the above mining claim(s) and/or millsites(s).

Roger C Lister	392 E Main, Delta, UT 84624
Edwin P Lister	PO Box 651, Delta, UT 84624

This waiver is filed by the above listed owner(s) in the State of Utah.

Subscribed and sworn to before me this ____ day

Roger C Lister

of _____, 20____.

(Seal)

(Owner's Signature)

This waiver is filed by the above listed owner(s) in the State of Utah.

Subscribed and sworn to before me this ____ day

Edwin P Lister

of _____, 20____.

(Seal)

(Owner's Signature)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTRACT FOR THE SALE OF MINERAL MATERIALS

FORM APPROVED
OMB NO. 1004-0103
Expires: September 30, 2011

Office
LLW020000 Fillmore Field Office
Contract Number
UTU 85817

The UNITED STATES OF AMERICA acting through the Bureau of Land Management (BLM), and Edwin P. Lister you, the purchaser, make this AGREEMENT, under the authority of the Act of July 31, 1947 (61 Stat. 681), as amended at 30 U.S.C. 601 through 604, and the regulations at 43 CFR, Group 3600.

We agree:

Sec. 1. Contract area - Under the terms and conditions of this contract, the United States sells to you and you buy the mineral materials listed in Section 2 and contained in the following lands as shown on the map and mining plan attached to this contract:

COUNTY	STATE	TOWNSHIP	RANGE	SECTION	ALIQUOT PARTS	MERIDIAN	ACREAGE
Juab	UT	14 South	11 West	33	S1/2 NE1/4 NW1/4 NE1/4	Salt Lake	5

Pit Name (if any): Bullseye

Sec. 2. Amount and price of materials - The United States determines the total purchase price by multiplying the total quantity of each kind of mineral material designated by the unit price given below, or as changed through reappraisal.

KIND OF MATERIALS	QUANTITY (Units Specified)	PRICE PER UNIT	TOTAL PRICE
Stone (Banded Rhyolite)	100 ton	\$12.50/ton	\$1,250.00
TOTAL			\$1,250.00

BLM's determination of the amount of materials that you have taken under the contract is binding on you. You may appeal this determination as provided in Section 19.

You are liable for the total purchase price, even if the quantity of materials you ultimately extract is less than the amount shown above. You may not mine more than the quantity of materials shown in the contract.

Sec. 3. Payments, title, and reappraisals - You may not extract the materials until you have paid in advance for them in full \$ 1,250.00 , or paid the first installment of \$

☒ **If you pay in full in advance, BLM will check this box, and Subsections 3(a) through 3(c) do not apply to your contract. You must pay in full for all sales of \$2,000 or less.**

(a) If you pay in installments, you must pay the first installment before BLM approves the contract.

(b) Once you start removing material, you must pay each subsequent installment payment monthly in an amount equal to the value of materials removed in the previous month. Payment must be made by the 15th day following the end of the month for which you are reporting. You must pay the total purchase price not later than 60 days before the contract expires.

(c) The United States will retain the first installment as security for your full and faithful performance and will apply it to the last installment required to make the total payment equal to the total price given in Section 2.

The total purchase price equals the sum of the total quantities removed, multiplied by their respective unit prices.

If you are late making an installment payment, you must not remove any more material until you have paid. Removing material you have not paid for is trespass, and for trespass you must pay at triple the appraised unit price, or at triple the reappraised unit price if BLM has made a reappraisal. To resume removal operations after you were late making payments, you must obtain BLM's written approval.

(d) You receive title to the mineral materials only after you have paid for them and extracted them.

Sec. 4. Risk of loss - You assume complete risk of loss for all materials to which you have title. If material covered by this contract is damaged or destroyed before title passes, you are liable for all loss suffered if you or your agents are directly or indirectly responsible for the damages. If you are not responsible for the damage or destruction, you are liable only to the extent that the loss was caused by your failure to remove the material under the terms of this contract. You are still liable for breach of contract or any wrongful or negligent act.

Sec. 5. Liability for damage to materials not sold to you - You are liable for loss or damage to materials not sold to you if you or your agents are directly or indirectly responsible for the damage or loss. You are also liable if you fail to perform under the contract according to BLM's instructions and the United States incurs costs resulting from your breach of any contract term or your failure to use proper conservation practices. If the damage resulted from willful or gross negligence, you are liable for triple the appraised value of the damaged or destroyed materials. If the damage or destruction did not result from willful or gross negligence, you are liable for lesser charges, but not less than the appraised value of the materials.

Sec. 6. Stipulations and reserved terms - Your rights are subject to the regulations at 43 CFR Group 3600 and to any stipulations and the mining plan attached to this contract.

☒ **BLM will check this box if there are stipulations attached to this contract.**

Sec. 7. Notice of operations - You must notify BLM immediately when you begin and end operations under this contract. If BLM has specified a time frame for notification, you must comply with that time frame.

Sec. 8. Bonds - (a) You must furnish BLM with a bond in the amount of \$ \$6,600.00 as a condition of issuing this contract.

(b) If you do not perform all terms of the contract, BLM will deduct an amount equal to the damages from the face amount of the bond. If the damages exceed the amount of the bond, you are liable for the excess. BLM will cancel the bond or return the cash or U.S. bonds you supplied when you have completed performance under this contract.

(c) BLM will require a new bond when it finds any bond you furnish under this contract to be unsatisfactory.

Sec. 9. Assignments - You may not assign this contract without BLM's written approval.

Sec. 10. Modification of the Approved Mining or Reclamation Plan - You or BLM may initiate modification of these plans to adjust for changed conditions, or to correct any oversight. The conditions for BLM requiring you to modify these plans, or approving your request for modification are found in the regulations at 43 CFR 3601.44.

Sec. 11. Expiration of contract - This contract will expire five years, zero months, zero days from its approval date, unless BLM extends the term or renews the contract.

☐ **BLM will check this box if this contract is a renewable competitive contract.**

Sec. 12. Renewal of renewable competitive contract - BLM will renew your contract if you apply in writing no less than 90 days before your renewable competitive contract expires and you meet the conditions in the regulations at 43 CFR 3602.47.

Sec. 13. Violations and cancellations - (a) If you violate any terms or provisions of this contract, BLM may cancel your contract following the regulations at 43 CFR 3601.60 et seq., and recover all damages suffered by the United States, including applying any advance payments you made under this contract toward the payment of the damages.

(b) If you extract any mineral materials sold under this contract during the suspension period, or after the contract has expired or been canceled, you have committed, and may be charged with, willful trespass.

Sec. 14. Responsibility for damages suffered or costs incurred by the United States - If you, your contractors, subcontractors or employees breach this contract or commit any wrongful or negligent act, you are liable for any resulting damages suffered or costs incurred by the United States. You must pay the United States within 30 days after receiving a written demand from BLM.

Sec. 15. Extensions of time - BLM may grant you an extension of time in which to comply with contract provisions under the regulations at 43 CFR 3602.27. For contracts with terms over 90 days, you must apply in writing no less than 30 or more than 90 days before your contract expires. For contracts with terms of 90 days or less you must apply no later than 15 days before your contract expires.

Sec. 16. Time for removing personal property - You have 90 days (not to exceed 90) from the date this contract expires to remove your equipment, improvements, and other personal property from United States lands or rights-of-way. You may leave in place improvements such as roads, culverts, and bridges if BLM consents. Any property remaining after this period ends becomes the property of the United States, but you will remain liable for the cost of removing it and restoring the site.

Sec. 17. Equal opportunity clause - The actions you take in hiring must comply with the provisions of Executive Order No. 11246 of Sept. 24, 1965, as amended, which describe the non-discrimination clauses. You may get a copy of this order from BLM.

Sec. 18. *Effective date* - This contract becomes effective as indicated below.

- ☒ If this contract becomes effective on the date BLM signs the contract, BLM will check this box.
- ☐ If this contract becomes effective only after certain conditions are met, BLM will check this box, list the conditions below, and indicate the effective date.

Sec. 19. *Appeal* - You may appeal any decision that BLM makes in regard to this contract under Parts 4 and 1840 of Title 43 of the Code of Federal Regulations.

The following parties have executed this contract as of:

PURCHASER

THE UNITED STATES OF AMERICA

Edwin P Lister

By Patricia M Bailey

(Individual or Firm Name)

392 E Main - PO Box 651, Delta, UT 84624

(Address)

435.864.2385

(Phone Number - include area code)

(Signature)

(Signature)

(BLM)

Acting Field Manager

(Title)

(Date)

If you are a corporation, affix corporate seal here:

Title 18 U.S.C 1001, makes it a crime for any person knowingly or willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction, subject to a fine of up to \$10,000 and imprisonment up to 5 years.

NOTICES

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 601 et seq.; 43 CFR 3600

PRINCIPAL PURPOSE: BLM uses this information to identify the parties entering into contracts for disposing of mineral materials.

ROUTINE USES: BLM will transfer information from the record or the record itself to appropriate Federal, State, local, or foreign agencies, when relevant to criminal, civil, or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: If you do not provide this information to BLM, we will not be able to process your application for a contract.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM is collecting this information to process your application and effect a binding contract.

The BLM will use this information to identify and communicate with applicants.

You must respond to this request to get a benefit.

The BLM would like you to know that you are not required to respond to, this or any other Federal agency-sponsored information collection which does not have a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average about 30 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0103), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

UTU 85817 Mineral Material Negotiated Sale Contract Stipulations

1. The permittee will disclose all hazardous materials associated with operations and their use, storage, transportation, quantity, generation, and disposal. The permittee is required to contact the Department of Environmental Quality (DEQ), Emergency Response and Remediation Section (ERS) at the Section's 24-hour response number, (801) 536-4123, immediately upon spill or discharge of hazardous substances.
2. The permittee will promptly remove and properly dispose of all waste caused by the operations as directed by the Authorized Officer's representative. "Waste" refers to all discarded matter including human waste, trash, garbage, refuse, petroleum products, coolants, ashes, and equipment. Wastes will be disposed in a landfill properly authorized by the DEQ.
3. Permittee will stay within the marked boundaries of the sale site and, upon discovery of cultural resources, stop work and notify the BLM, FFO of the discovery. Cultural resources are not to be disturbed.
4. Upon termination of the contract, the site will be contoured or shaped to blend into the surrounding topography, including disturbance created under expired notice UTU 70643.
5. Disturbed sites, including disturbance created under the expired notice UTU 70643, will be scarified and seeded by a seed mixture recommended by the BLM.
6. The permittee will make equipment clean and weed free prior to bringing equipment on-site.
7. The permittee will be responsible for keeping invasive, non-native weeds under control at the site.